

<p>Grants Determination Sub Committee Decision</p> <p>12th January 2022</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Ann Sutcliffe, Corporate Director, Place</p>	<p>Classification: Unrestricted</p>
<p>Carbon Reduction Community Grants Programme</p>	

Lead Member	Councillor Asma Islam, Cabinet Member for Environment and Planning
Originating Officer(s)	Jonathan Taylor, Sustainable Development Team Leader
Wards affected	All wards
Key Decision?	No
Reason for Key Decision	<p>[Financial threshold / Significant impact on wards]</p> <p>OR</p> <p>This report has been reviewed as not meeting the Key Decision criteria.</p>
Forward Plan Notice Published	[Insert date notice was published – see forthcoming decisions webpage]
Strategic Plan Priority / Outcome	People live in a borough that is Clean and Green

Executive Summary

Carbon Reduction Community Grants Programme is to support community organisations to carry out carbon reduction related projects such as renewable energy installation, energy retrofit projects and educational/knowledge share projects.

The proposals are for 3 types of grants:

- Low carbon heating and energy generating technologies – up to £30,000 per grant (allocation up to £360,000 to support 12 installations)
- Energy Efficiency Retrofit – up to £15,000 per grant (allocation up to £180,000 to support 12 retrofits)
- Learning and behavioural change projects – up to £10,000 (allocation up to £120,000 to support 12 knowledge share initiatives)

The programme is to be funded through S106 carbon offsetting contributions and has finances allocated in the carbon offsetting programme capital project. The funding of community projects follows on from the Councils close working with the Partnership Executive Group and is intended to stimulate action and delivery of the

adopted Net Zero Carbon Partnership Plan.

Recommendations:

The Grants Determination Sub Committee is recommended to:

1. Approve the grant funding of £700,000 to deliver the Carbon Reduction Community Grants Programme.
2. Authorise the Service Manager for Energy, Sustainability & Private Sector Housing and Environmental Sustainability Officer to enter into grant agreements and make any associated decisions in order to distribute the funding.

1 REASONS FOR THE DECISIONS

- 1.1 The programme will provide grants to community organisations in Tower Hamlets to undertake projects including installing renewable energy generating technologies, energy efficiency retrofits and behavioural change initiatives. The projects will increase the renewable energy generating capacity in the borough and reduce energy consumption of the successfully funded organisations. It will increase awareness of the climate crisis and educate how change can be made to deliver carbon savings.
- 1.2 The programme is to be funded through S106 carbon offsetting contributions and has finances allocated in the carbon offsetting programme capital project. This is a key programme to stimulate delivery of the Net Zero Carbon Partnership Plan that will reduce carbon emissions across the Borough.
- 1.3 The grants from the programme will help organisations to futureproof their premises by ensuring that they are installing the most energy efficient technologies that will reduce their carbon emissions and reducing their energy costs.
- 1.4 Tower Hamlets produces the fourth highest level of carbon dioxide emissions of the 33 Local Authorities in Greater London. There are drivers to reduce these emissions including the Borough's target of becoming a Net Zero Carbon Borough by 2045. This programme will engage residents and community groups and help deliver on the recent council motion on climate change.

2 ALTERNATIVE OPTIONS

- 2.1 The delivery of carbon offsetting projects plays a key role in transitioning towards a zero carbon Borough. Stimulating action through community projects will help to directly reduce carbon emissions and raise awareness of the climate emergency. The funding is intended to support delivery of projects where no or little alternative funding is currently available. The LBTH grants will complement the Community Energy London fund which delivers feasibility studies or part funding (where match funding is available).
- 2.2 The work undertaken through the Partnership Executive Group (PEG) Climate Task Force has highlighted the good work undertaken across the Borough through various organisations. The proposed community grants will assist in delivering on the Net Zero Carbon Partnership Plan, in particular stimulating action and increasing knowledge of the climate emergency which are identified as key elements in delivering the plan. A failure to support the Partnership Plan would cause reputational damage, miss opportunities to improve public health and risk meeting our 2045 Zero Carbon Borough target.

3 DETAILS OF THE REPORT

Background

- 3.1 In March 2019, the Council declared Climate Emergency setting an ambitious target of becoming a Net Zero Carbon Council by 2025. The Council's carbon emissions only account for a small percentage of the boroughwide carbon emissions. The Council in its leadership role has been working with stakeholders and partners through the Partnership Executive Group (PEG) to develop the Net Zero Carbon Partnership Action Plan. The Partnership Action Plan has been agreed with PEG and was noted at Cabinet on 15th December 2021. The council has signed up to the UK100 Net Zero Pledge for the borough to be net zero by 2045.
- 3.2 On behalf of the PEG, the council hosted Climate Engagement event in March 2021, and then set up the Carbon and Climate Task representing key stakeholders and partners as identified by the PEG. Development of the Net Zero Carbon Partnership Action Plan has identified huge opportunities for efficiencies through collaborative working, the sharing of resources, practice, expertise, and data.
- 3.3 Key themes identified through development work of the Net Zero Carbon Partnership Action Plan showed a need to stimulate local action and increase awareness and education within local communities.
- 3.4 The Carbon Reduction Community Grants Programme will be open to voluntary or community groups, Registered Charity, Constituted group or club,

Community interest company (CIC), social enterprise, parish councils. Faith groups may also apply, provided their projects are inclusive.

3.5 The Programme will provide grants to community organisations to carry out carbon reduction related projects such as renewable energy installation, energy retrofit projects and educational/knowledge share projects.

3.6 The proposals are for 3 types of grants:

- Low carbon heating and energy generating technologies – up to £30,000 per grant (allocation up to £300,000 to support 10 installations)
- Energy Efficiency Retrofit – up to £15,000 per grant (allocation up to £180,000 to support 12 retrofits)
- Learning and behavioural change projects – up to £10,000 (allocation up to £180,000 to support 18 knowledge share initiatives)

3.7 The finances to deliver the project are from the S106 Carbon Fund, which is ringfenced to be spent on programmes that will reduce carbon emissions in the Borough, and the project is within the carbon offsetting programme capital projects budget (Cabinet Approval Date 23rd September 2020).

Grant Application Process

3.8 A 4-week awareness period is proposed to launch the grants fund and advertise and communicate the aims and applications process. Throughout this awareness period the sustainable development team will promote the funding opportunity and be approachable for information and clarification on applicable projects and the grants process..

3.9 To ensure fairness to all community organisations there will be a window for applications to be submitted. This window will be open for 8 weeks. Once this window has closed the applications will be assessed to ensure they will achieve the objectives of reducing carbon emissions and achieve good value for money. If there are more applications for grants than available those projects that will achieve the highest percentage carbon saving based on the emissions of the technology being replaced, their value for money for the carbon saving and the return on investment of the project will be given preference. This ensures the programme achieves the maximum carbon reduction possible whilst also making it fair for all organisations that want to submit an application.

3.10 A simple grant application form will be produced for organisations to fill in and the Sustainable Development Team will work with organisations to assist completion of the form where required. The form will include information requirements on:

- Project description and timeframe
- Anticipated Carbon savings

- Delivery pathway
- Additional Funding sources
- Summary of benefits incl. community benefits, fuel poverty, local skills, health benefits, local jobs, education opportunities
- Monitoring and reporting proposals
- Evidence to meet Conditions on application

3.11 It will be ensured by the Sustainable Development Team that no funding will be released for any project until the grant agreement has been signed by both parties on the agreed project and scope of works. The grant agreement will include the requirement for post completion verification to be carried out (though a site visit where applicable) and through annual reporting of the project to verify the savings. This is to ensure the projects are completed as per the application form and agreement.

Eligible projects for funding

3.12 The following projects will be eligible for funding from the programme;

- Energy reduction projects such as lighting and heating upgrades, and other fabric improvement projects.
- Renewable energy generating technologies, such as photovoltaic array.
- Knowledge share and behavioural change projects
- Any other project which will result in significant energy reduction will be considered.

3.13 To deliver on the aims of the project, which are to stimulate action and delivery of carbon savings and raise awareness of the climate crisis, the project must:

- Be a new initiative that the council has not previously funded
- For building works the project has longevity beyond the funding provided by the Council with a commitment to ongoing maintenance
- Include a commitment to inform the wider community about the project and encourage others to take action
- Take place within the London Borough of Tower Hamlets

3.14 The programme will not fund:

- Ongoing running costs, including maintenance associated with the project
- Curricular activities that take place during the school day
- Retrospective funding

Conditions on application

- 3.15 In order to ensure carbon savings are delivered in the appropriate geographical area the organisation must:
- Provide community activities or services within the London Borough of Tower Hamlets.
 - Have a formal constitution or set of rules.
 - Have a bank account requiring at least two unrelated signatories.
 - Operate with no undue restrictions on membership.
 - Have a safeguarding policy for children, young people and vulnerable adults where appropriate.

Delivery and carbon savings for renewable and energy efficiency projects

- 3.16 The projects are to be delivered by a supplier that the organisation will procure. This ensures that each organisation will be able to procure the supplier that meets the criteria of their project as each project will be unique to that organisation.
- 3.17 Until applications are submitted it is difficult to estimate what the total carbon savings of the programme will be. Each project will be assessed on its own merits using the
- 3.18 To ensure applications are accurate a pre-verification visit is carried out to each community organisation once their application has been submitted to ensure that the current installation within the premises is as described and that the proposed project will achieve the desired outcome

Grant Decisions

- 3.19 The decisions on awarding funding will follow the process set out in the Carbon Offsetting Solutions Study that was adopted by Cabinet in January 2016. This will be made at a minuted selection panel meeting which will assess and decide on each application on the criteria set above and below. This panel will decide which projects to allocate funding to. The 3 key criteria for the allocation of funds will be:
1. CARBON: carbon savings and their associated cost efficiency;
 2. ADDITIONALITY: it is essential that carbon savings are truly additional and would not happen without funding.
 3. COMMUNITY BENEFITS: other benefits for the community beyond carbon (e.g. fuel poverty, job creation, improved community facilities, etc.) will be seen as a plus by the Council.
- 3.20 All projects that are delivered through the award of funding from this programme will be the responsibility of the Community Organisation. Should any maintenance or costs be incurred at a later date on the technologies installed then that cost will be the responsibility of the Community Organisation.

- 3.21 The proposals are in accordance with the Carbon Offsetting Solutions Study approved at Cabinet in January 2016 which was developed to ensure clarity on how funds secured through S106 carbon offsetting finances will be allocated, and to provide transparency in the identification of projects to be delivered

4 EQUALITIES IMPLICATIONS

- 4.1 An Equality Analysis Quality Assurance checklist has been completed for the programme to address equality implications arising from the proposal.
- 4.2 As a result of performing the checklist the programme does not appear to have any adverse effects on people who share Protected Characteristics and no further actions are recommended.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
 - Data Protection / Privacy Impact Assessment.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The report seeks approval to grant funding of £700k for the Carbon Reduction Community Grants Programme. This funding will take 3 forms with set allocations and maximum number of projects across each area to ensure funding remains with the funding identified.
- 6.2 Funding will be from s106 income that has been received by the Council and will therefore represent a net nil impact on the Council's baseline budget. This s106 funding forms part of the carbon offset fund which is ringfenced for projects reducing carbon emissions within the Borough.
- 6.3 In January 2016 cabinet approved the setup of a carbon reduction fund and these grants form part of a package of schemes from this fund totalling £1.7m

7 COMMENTS OF LEGAL SERVICES

- 7.1 The grants sub-committee has the authority to approve the grant described in this report.
 - 7.2 The grant approval should be made in compliance with the section 106 agreement.
 - 7.3 The grant monitoring will be supported by appropriate agreement terms and ensure the funds are used in accordance with the purposes stated in the grant application and the conditions highlighted in this report. This will assist the Council achieving its statutory Best Value obligation.
 - 7.4 There are legal equality issues arising from this report. However, the grant monitoring process will assess any equalities issues that may arise and ensure that these are addressed appropriately.
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Linked Reports, Appendices and Background Documents

Linked Report

- Net Zero Carbon Partnership Plan

Appendices

- Appendix A – Carbon Offsetting Projects Guidance and Proforma
- Appendix B – Example Application Form
- Appendix C – Grants Panel Assessment Template
- Appendix D – Example Grant Award Funding
- Appendix E – Proposed process for applying for a grant

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- List any background documents not already in the public domain including officer contact information.
- These must be sent to Democratic Services with the report
- State NONE if none.

Officer contact details for documents:

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